

**STATE OF CALIFORNIA
DEPARTMENT OF INSURANCE
45 Fremont Street, 21st Floor
San Francisco, California 94105**

September 4, 2002

RH01015532

FINAL STATEMENT OF REASONS

**California Code of Regulations, Title 10, Chapter 5, subchapter 4.7, Article 4, section
2632.13, subdivision (i)**

Accident Verification

**UPDATE OF INITIAL STATEMENT OF REASONS AND UPDATED INFORMATIVE
DIGEST**

On December 21, 2001 a Notice of Proposed Regulatory Action and Notice of Public Hearing, the Initial Statement of Reasons, and the Text of the Proposed Regulation (RH01015532 Accident Verification) were mailed to all persons who previously requested mailed notice of any proposed regulatory actions. The Department of Insurance held a public hearing on March 7, 2002 and accepted comments on the proposed regulation through that date.

Since that time, the Department of Insurance has reviewed the oral and written comments, which were submitted by the public in response to this proposed regulation. After a detailed review of the public comments, as indicated elsewhere in this rulemaking file, the Commissioner has determined that the regulation should be adopted in the same form as it was originally proposed to the public. The information in the Informative Digest remains current and does not need to be updated. Government Code section 11346.9, subd. (b). Therefore, because the Initial Statement of Reasons still fully and accurately reflects the views of the Department of Insurance, the Commissioner incorporates by this reference the Initial Statement of Reasons, dated December 21, 2001.

LOCAL MANDATE DETERMINATION

The proposed regulation does not impose any mandate on local agencies or school districts.

ALTERNATIVES DETERMINATION

The Department of Insurance has determined that no alternative would be more effective in carrying out the purpose for which the regulation is proposed or would be as effective and less burdensome to affected private persons than the proposed regulation. The regulation is designed to preclude insurers from using the absence of prior automobile insurance to affect rates, premiums or insurability. This requirement is codified in California Insurance Code section 1861.02 subdivision (a)(1). While the Department of Insurance received a number of comments from the public, none of the comments presented a reasonable alternative to the proposed language. Likewise, the Department of Insurance believes there is no less reasonable alternative.

Because no conceivable alternative regulation would be less burdensome to affected private persons without necessarily hampering the effective implementation of Insurance Code section 1861.02 subdivision (a)(1), the Commissioner proposes this regulation for adoption.

SUMMARY AND RESPONSE TO COMMENTS RECEIVED DURING THE INITIAL NOTICE PERIOD OF DECEMBER 21, 2002 THROUGH MARCH 7, 2002.

The summary and response to comments are organized and bound directly after this page.